

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**.

All fields must be completed.

Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: October 21, 2013

Please mark one: Bill Request or Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes No

If yes, please explain:

2. **Title:** A Resolution declaring the intent of the City and County of Denver, Colorado to use its best efforts to issue housing revenue bonds or mortgage credit certificates to provide financing of residential facilities for low- and middle-income families or persons; prescribing certain terms and conditions of such bonds; and containing other provisions relating to the proposed issuance of such bonds.

3. **Requesting Agency:** Finance

4. **Contact Person:** (With actual knowledge of proposed ordinance/resolution.)

- **Name:** Rick Sheehan, Sr. Analyst, Finance
- **Phone:** 720-913-5550
- **Email:** Richard.Sheehan@denvergov.org

5. **Contact Person:** (With actual knowledge of proposed ordinance/resolution who will present the item at Mayor-Council)

- **Name:** Rick Sheehan, Sr. Analyst, Finance
- **Phone:** 720-913-5550
- **Email:** Richard.Sheehan@denvergov.org

6. **General description of proposed ordinance including contract scope of work if applicable:** The proposed resolution is being undertaken to comply with Colorado Statutes to apply for additional allocation which can be used to issue private activity bonds or mortgage credit certificates in future years. The State of Colorado's Department of Local Affairs encouraged the City and County of Denver to apply for up to an additional \$80,000,000 of Volume Cap Allocation from the Statewide Balance for the year 2013. This resolution allows the allocation to be carried forward up to three years, consistent with Colorado statutes and the Internal Revenue Code.

a. **Contract Control Number:** N/A

b. **Duration:** 3 years

c. **Location:** N/A

d. **Affected Council District:** N/A

e. **Benefits:** Adoption of this Resolution enables the City to apply for up to an additional \$80 million of Statewide Private Activity Bond allocation for potential future Denver projects in future years. The allocation has the option to be utilized for Single Family Mortgage Revenue Bonds, Multifamily Housing Bonds and Mortgage Credit Certificates.

f. **Costs:** N/A

7. **Is there any controversy surrounding this ordinance?** (Groups or individuals who may have concerns about it?) **Please explain.**

No Controversy.

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date Entered: _____

Executive Summary

The proposed resolution is being undertaken to comply with Colorado Statutes to add an additional allocation to the City's ability to issue private activity bonds in future years. The State of Colorado's Department of Local Affairs encouraged the City and County of Denver to apply for up to an additional \$80,000,000 of 2013 Statewide Private Activity Bonds. This resolution is part of the application process and is consistent with Colorado statutes and the Internal Revenue Code requirements. The allocation can be utilized for Single Family Mortgage Revenue Bonds, Multifamily Housing Bonds and Mortgage Credit Certificates (MCC).

In general, a private activity bond is a bond issued by or on behalf of a local or state government for the purpose of financing a project of a private user that allows for the bonds to have tax exempt status. The Federal government allocates the Private Activity Bond Authority to each state. The State of Colorado, in turn, allocates a proportional amount to each local issuer based on population. The State of Colorado's Department of Local Affairs has allocated \$29,493,558 of the State's Volume Cap Allocation to the City and County of Denver for the year 2013, of which the City has assigned \$20,000,000 to Denver Housing Authority.

Private activity bonds are issued to finance various types of facilities owned or used by private entities, including multifamily housing projects.

Private Activity Bonds issued by the City are special obligations and do not constitute a debt or indebtedness of the City and do not give rise to a charge against the general credit or taxing power of the City.

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